

PASCOAG UTILITY DISTRICT - BOARD OF UTILITY COMMISSIONERS MINUTES

The regular meeting of the Pascoag Utility District Board of Utility Commissioners was held on Monday, February 2, 2015 at 6:00 p.m. in the District office, 253 Pascoag Main Street, Pascoag, RI.

Members Present: Chairman Albert Palmisciano, Commissioners Richard Jenks, Michael Kogut and Doug Lees

Members Absent: Commissioner Ann Polacek

Also in Attendance: Michael Kirkwood, General Manager; William Bernstein, General Counsel

Chairman Palmisciano opened the meeting at 6:00 pm.

Minutes

- 1. Pledge of Allegiance**
- 2. Public Comment**
- 3. Committee Comments**
- 4. Good and Welfare of the District**

A. Docket No. 1725

Ms. LaPorte reviewed the customer shut off information. There were 4 standard customers terminated in the month of December. Pascoag Utility District sent out 302 disconnection notices for customers whose past due balances were more than \$200.00. During this period, the average balance was \$567.92. Motion to receive and file made by Mr. Kogut, seconded by Mr. Jenks. The vote in favor was unanimous.

B. Exxon Mobil Settlement Fund

Ms. Round stated that the proceeds from the CD were currently at \$506,050.14. The money market account had 1,436,006.64 in it for a

total of 1.9 million. Motion to receive and file made by Mr. Jenks, seconded by Mr. Kogut. The vote in favor was unanimous.

C. CSR Position

Mr. Kirkwood stated that there will be a help wanted ad in the Bargain Buyer this week for a Customer Service Representative. The CSR will help with the transitioning due to several retirements this year.

5. Approval of Minutes

A. By-Laws Subcommittee-October 27, 2014 Mr. Kogut made a motion to approve as submitted, seconded by Mr. Jenks. The vote in favor was unanimous.

B. Electric Subcommittee-October 27, 2014 Mr. Jenks made a motion to approve as submitted, seconded by Mr.Kogut. The vote in favor was unanimous.

C. Regular BUC Meeting-October 27, 2014 Mr. Jenks made a motion to approve as submitted, seconded by Mr.Kogut. The vote in favor was unanimous.

D. Finance Subcommittee-November 24, 2014 Mr. Kogut made a motion to approve as submitted, seconded by Mr. Jenks. The vote in favor was unanimous.

E. Regular BUC Meeting-November 24, 2014 Mr. Jenks made a motion to approve as submitted, seconded by Mr.Kogut. The vote in favor was unanimous.

F. Annual Meeting- December 8, 2014 Mr. Jenks made a motion to approve as submitted, seconded by Mr.Kogut. The vote in favor was unanimous.

G. Re-org Meeting- December 12, 2014 Lees motion to approve with corrections, seconded by Mr. Kogut. The vote in favor was unanimous.

6. Unfinished Business

7. New Business

A. 15-01-Action Item-2014 Write-off List

Mr. Kirkwood stated that items A-D were scheduled to be voted on during the annual meeting but a quorum wasn't present so it needed to be voted on by the Board during this meeting. The Board reviewed the 2014 Write-off List. Motion to approve the 2014 Write-off List made by Mr. Jenks, seconded by Mr. Kogut. The vote in favor was unanimous.

B. 15-02-Action Item-Approval of 2015 Water Budget

Motion to approve the 2015 Water Budget made by Mr. Kogut, seconded by Mr. Jenks. The vote in favor was unanimous.

C. 15-03-Action Item-Appointment of Moderator and Clerk

Motion to approve Mr. Raymond Trinqué as Moderator and Mr. Jack Griffin as Clerk made by Mr. Jenks, seconded by Mr. Lees. The vote in favor was unanimous.

D. 15-04-Action Item-Closing Books

Motion to approve the closing of the books as of December 31, 2014 made by Mr. Jenks, seconded by Mr. Kogut. The vote in favor was unanimous.

E. 15-05-Discussion with Demand Side Management Vendor

Mr. Kirkwood said he was in discussion with Tangent to help with a Demand Side Management project. This would potentially reduce costs not only for the district but industrial customers and our overall customer base.

F. 15-06 Presentation on Retail Competition Exemption

- The Rhode Island restructuring law, Section 39-1-27.3, was passed in 1996.**
 - Required all Rhode Island retail electric companies (National Grid, Block Island Power Company and Pascoag Utility District) to allow their customers to choose an alternative supplier.**
 - Also Required NGrid, BIPCo and PUD to offer Standard Offer Service for those who choose to stay with their distribution utility for supply.**
 - This law included Pascoag Utility District (PUD) even though PUD was (and remains) a different type of utility, owned by its customers, and not-for-profit.**
 - PUD is the only “public power”, quasi-municipal entity in Rhode Island. However, there are 71 public power entities throughout New England, most of them exempt from retail access requirements.**
- As long as our customers are supportive of our approach, we will seek to do the following:**
- PUD will draft legislative amendments that would exempt Pascoag from retail competition.**
 - PUD will discuss the requested amendments with the General Assembly and its committees, and seek an affirmative vote.**
 - If General Assembly passes this legislation, PUD will still continue to be fully regulated by the Rhode Island Public Utility Commission,**

which has approval authority over our power supply actions and any requested rate changes.

- PUD will continue with our philosophy and strategy of making good power supply choices in our portfolio for the benefit of all our customers, striving to minimize risk and provide a solid cost-effective supply.

Mr. Jenks made a motion to support the District being exempted from the provisions of the 1996 Restructuring Act as it relates to competition, seconded by Mr. Lees. The vote in favor was unanimous.

8. Financial Reports

A. Electric Department- November 2014

B. Water Department-November 2014

Ms. Round reviewed the financials for November 2014. Mr. Jenks made a motion to approve the financial reports, seconded by Mr. Kogut. The vote in favor was unanimous.

9. Executive Session

To go into Executive Session for the purpose of discussing a potential facilities contract, pursuant to R.I.G.L. 42-46-5(a)(6). The minutes of said meeting shall remain confidential for as long as necessary pursuant to RIGL 42-46-5, until a majority of the Board shall vote to open said minutes as provided for and subject to the open meetings law.

Mr. Kogut made a motion to enter into Executive Session, seconded by Mr. Lees. The vote in favor was unanimous. The Board went into Executive Session at 6:57PM.

Mr. Jenks made a motion to leave Executive Session, seconded by Mr. Kogut. The vote in favor was unanimous. The Board left Executive Session at 7:02PM.

Mr. Lees made a motion to seal the minutes, and no votes were taken, seconded by Mr. Kogut. The vote in favor was unanimous.

10. Adjournment

Mr. Lees made a motion to adjourn, seconded by Mr. Jenks. The vote in favor was unanimous. The Board adjourned at 7:06PM.

Michael Kogut, Secretary
Board of Utility Commissioners

Desarae Dolan, Recording Secretary